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CENTRAL INTELLIGENCE AGENCY

INFORMATION REPORT

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COUNTRY

Hungary

REPORT

SUBJECT

Ball and Roller Bearing Industry

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(FOR KEY SEE REVERSE)

Enclosures:

- (A) General information of ball and roller bearing production (2 pages)
- (B) Diesel Bearings Repair Enterprise (3 pages)
- (C) Debrecen Ball and Roller Bearings Factory, Debrecen (2 pages)

TO: ORR

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enclosure: (A)

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SECRET CONTROL
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Long-term Policy

1. The long-term policy of the U.S.S.R. and Satellites is to make themselves entirely independent of Western sources of supply for ball and roller bearings.

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2. According to decisions taken by the Council for Mutual Economic Aid, Hungary is to manufacture medium-sized bearings, Rumania small-sized bearings, and Czechoslovakia large.

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Production

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3. The following ball and roller bearings works are in operation in Hungary:

a) DEBRECENI GOLYOS-ES GORDULOC SAPAGYGYAR (DEBRECEN Ball and Roller Bearings Works), DEBRECEN.

This plant is still under construction. Only roller bearings are currently being produced, because the machine-tools and instruments for producing ball-bearings are not yet available. Production in August 1953 was running at 240 roller bearings per day.

b) DIOSDI CSAPAGY JAVITO VALLALAT (DIOSD Bearings Repair Enterprise). Gyar-utca, DIOSD.

Originally engaged only on repairing roller bearings, this plant now produces:

- i) Roller-bearings of large-size
- ii) Bearings for bed plates
- iii) Other kinds of bearings
- iv) lathes
- v) Repairs of roller bearings.

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No ball-bearings are produced. Value of production is estimated at 54 to 60 m. Forints per annum; no quantities of production are known.

Imports*4.5 mill vs \$ -5*

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4. Ball-bearings are imported from U.S.S.R., Czechoslovakia

5. The quality of bearings from U.S.S.R., Czechoslovakia is poor, and the U.S.S.R. refuse on principle to accept machines from Hungary containing bearings made in any of these countries.

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6. Types of bearings imported are not known.

7. The quantity imported averages 10 tons per day.

8. Imported bearings are stored in a central warehouse in BUDAPEST

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(KOZPONTI GÖLYÖSCSAPAGYRAKTAR), from where they are allocated by the Ministry of Metallurgy and Mechanical Engineering (official responsible for bearings is Imre ZADOR).

General

9. It is believed that no further new plants for manufacturing bearings are planned. Newspaper reports to the contrary should be disregarded.

10. All the industries using ball-bearings (motor-vehicle, machine-tool and mechanical engineering industries) complain of continual shortages and the poor quality of bearings allocated to them.

11. It is improbable that the situation over quality will improve even when domestic production is fully under way. The Hungarians have no experience in producing ball-bearings, and are handicapped by the shortage of grinding wheels and steel of sufficiently high quality for ball-bearing production.

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H U N G A R Y

Economic

DIOSDI CSAPAGY JAVITO VALLALAT
(DIOSD Bearings Repair Enterprise)

1. HISTORY

The enterprise was, up to 1951, one of the shops of MAVAG Locomotive and Engineering Works at Kobanya-ut, BUDAPEST. In its present location it has been enlarged and new buildings are under construction.

2. LOCATION

Street address: Gyar-utca, DIOSD.

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(This address from the telephone directory)

Telephone No: DIOSD 7.

Exact location is not known.

3. PRODUCTS

Originally the enterprise was engaged solely on repairing roller bearings. Its present range of production is as follows:

- i) Roller bearings of large size.
- ii) Bearings for bed plates (of large size).
- iii) Other kinds of bearings (of large sizes).
- iv) Centres for lathes.
- v) Repairs of roller bearings.
- vi) It is possible that, in addition to the foregoing products, other components with polished surfaces are being produced.
- vii) No ball bearings are produced.

The estimated value of production is about 54 to 60 m. Forints p.a. No details are available on the quantities or specifications of bearings produced.

4. MATERIALS

The sources of incoming materials are not known.

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5. DESTINATIONS

(a) Export consignees:

No products are exported.

(b) Internal consignees:

i) Hungarian Army

Components and replacements of bearings.

ii) Armaments plants producing guns

Bearings and probably other components for bed plates (e.g. a certain type of bed plates, for which DIOSD supplies bearings, is being used by DIOSGYORI NEHELSZERSZAMGEP GYAR (DIOSGYOR Heavy Machine Tool Factory) as a component for AA guns.

6. TRANSPORT

No information available.

7. POWER

No information available.

8.

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The enterprise employs about 450-500 workers.

9. MACHINERY

The machine tools and equipment are out of date and in poor condition.

The plant is extremely short of measuring tools, which consist of perhaps 10 micrometers in all.

10. QUANTITY AND QUALITY CONTROL

(a) No details are available on the efficiency of production.

(b) Quality control is of a low standard owing to the worn-out condition of the machine tools, the lack of instruments and the unsuitable material supplied to the factory.

11. SERVICES

No information available.

12. BOTTLENECKS

Bottlenecks experienced in the past as well as currently are caused by:

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(a) Lack of experts.

(b) Lack of measuring tools.

13. SECURITY

No information available.

14. ORGANISATION

The plant is subordinate to the Directorate for Mechanical Engineering in the Ministry of Mechanical Engineering.

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Enclosure (C)

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DEBRECENI GOLYOS-ES GORDULOCSAPAGYGYAR (DEBRECEN
Ball and Roller Bearings Works), DEBRECEN (under
construction)

1. Hungarian newspapers have referred to this factory by the title KELETMAGYARORSZAGI GOLYOSCSAPAGY GYAR (Eastern Hungarian Ball Bearing Factory).

2. Location

Exact location is not known.

3. History

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The decision to build this factory was taken in 1951. The reason for the choice of location at Debrecen is believed to be that it is the second largest town in the country and has nevertheless remained agricultural in which proletarianisation has failed to develop. All through Hungarian history this town has maintained the spirit of the peasantry and of revolution, and it is intended to break down this bourgeois mentality with the help of industrial workers.

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In 1951 a committee of six spent four weeks in Rumania studying the Ball-Bearings Factory at BRASOV (now STALIN), which is built according to Russian plans.

At the beginning of 1952 a study group was sent to MOSCOW and stayed for six months. Its members included the director, the chief engineer, the chief technologist and a member of the works quality control organisation.

Meanwhile building operations were begun, as well as preparations for acquiring the machine-tools.

4. Machine-tools

Machine-tools and instruments were imported from the following countries:

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U.S.S.R.
Eastern Germany
Czechoslovakia

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The only machine-tools supplied by the U.S.S.R. were PITLER semi-automatic lathes. These are a light type not manufactured in Hungary, where only heavy PITLER lathes are manufactured.

Measuring instruments were also supplied by the U.S.S.R., but only the simplest types such as micrometers and ball meters.

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A considerable part of the plant equipment originates from the West.

By the middle of 1953 about 60% of the machine-tools and instruments had been secured.

The value of instruments required for the year 1953 was 6m. Forints, but the Planning Board was unable to provide more than 2m. Forints for this purpose.

5. Building Operations

Erection of the buildings has lagged behind schedule. They were to have been completed by January 1954. But it is believed that this could not have been accomplished because in July 1953 only about 35-40% of the work had been completed.

6. Temporary Production

Production has been started on a temporary basis in a military barracks at DEBRECEN. Only roller bearings were being manufactured because the machine-tools and instruments for producing ball-bearings were not yet available. Production in August 1953 was running at 240 roller bearings per day.

7. []

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The concern was finding it difficult to obtain suitable workers at DEBRECEN, as 80% [] consists of farm hands. They were being trained in operating the machine-tools, but there were many break-downs and machine-tools were damaged.

The planned number of employees for when the factory will be in full operation is 2,000 to 2,200.

8. Co-ordination with other Satellites.

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The construction of this factory ^(DEBRECEN) is connected with a plan by which several of the European Satellites have undertaken to build new ball-bearing factories, or to adapt existing ones, in such manner that the production of ball-bearings can be co-ordinated. Each of the participating countries are to produce a certain size of ball-bearings, thereby complementing the total production of the bloc. [] the participants are Czechoslovakia, Poland, Rumania and Hungary.

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The DEBRECEN Ball Bearings Factory is to produce only ball-bearings of medium size.

9. Personalities

The leader of quality control is Laszlo MOLNAR. No other names are known.

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